

**COUNTY COUNCIL
OF
TALBOT COUNTY**

2017 Legislative Session, Legislative Day No.: February 28, 2017

Resolution No.: 244

Introduced by: Mr. Bartlett, Mr. Callahan, Mr. Pack, Ms. Price, Ms. Williams

A RESOLUTION TO APPROVE EXECUTION OF A LEASE OF APPROXIMATELY 7,247 SQUARE FEET OF OFFICE SPACE IN A COUNTY BUILDING LOCATED AT 28712 GLEBE ROAD, EASTON, MARYLAND 21601, FURTHER DESCRIBED AS TAX MAP 25, PARCEL 58 (THE FORMER BLACK AND DECKER PROPERTY), FOR A TERM OF TWO (2) YEARS WITH UP TO THREE (3) 1-YEAR RENEWAL TERMS AND WITH RENT OF \$43,200 PER YEAR

By the Council: February 28, 2017

Introduced, read the first time, and ordered posted, with Public Hearing scheduled on Tuesday, March 28, 2017 at 6:30 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

By order:

Susan W. Moran
Susan W. Moran, Secretary

A RESOLUTION TO APPROVE EXECUTION OF A LEASE OF APPROXIMATELY 7,247 SQUARE FEET OF OFFICE SPACE IN A COUNTY BUILDING LOCATED AT 28712 GLEBE ROAD, EASTON, MARYLAND 21601, FURTHER DESCRIBED AS TAX MAP 25, PARCEL 58 (THE FORMER BLACK AND DECKER PROPERTY), FOR A TERM OF TWO (2) YEARS WITH UP TO THREE (3) 1-YEAR RENEWAL TERMS AND WITH RENT OF \$43,200 PER YEAR

WHEREAS, Local Government Article ("LG") § 10-312, Md. Code Ann., states that the County may dispose of any real or leasehold county property provided that "before the county makes any disposition, grant, or lease of county property, the county shall publish notice of the disposition, grant, or lease once a week for 3 successive weeks in at least one newspaper of general circulation in the county and shall include the terms of compensation to be received and give opportunity for objections."

NOW, THEREFORE, BE IT RESOLVED by the County Council of Talbot County, Maryland that:

1. The County Council finds that:
 - (a) The County has duly advertised the proposed transfer and given opportunity for public comment pursuant to Local Government Article § 10-312, Md. Ann. Code;
 - (b) The requirements of Local Government Article § 10-312, Md. Ann. Code, have been fulfilled; and,
 - (c) The subject office space is not needed for public use and the County is lawfully authorized to lease the space on the terms and conditions set forth herein.
2. The terms of the proposed lease are attached hereto as Exhibit "A", which is incorporated by reference herein, and shall be and are hereby APPROVED.
3. The Council President is hereby authorized and directed to execute the same on behalf of Talbot County, Maryland.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately upon its date of passage.

PUBLIC HEARING

Having been posted and Notice, Time and Place of Hearing, and Title of Resolution No. having been published, a public hearing was held on _____ in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland.

BY THE COUNCIL

Read the second time:

Enacted: _____

By Order: _____
Susan W. Moran, Secretary

Williams -

Price -

Bartlett -

Pack -

Callahan -

OFFICE LEASE

76 2017 THIS OFFICE LEASE ("Lease") effective this 24 day of JANUARY, ~~2016~~, by and between **TALBOT COUNTY, MARYLAND**, a political subdivision of the State of Maryland, 11 N. Washington Street, Easton, Maryland 21601 ("Landlord"), and **MAVERICK TRANSPORT, INC.**, a Maryland corporation, Suite #6, 28712 Glebe Road, Easton, Maryland 21601, ("Tenant").

WHEREAS, Landlord is the owner of 28712 Glebe Road, Easton, Maryland 21601 (the "Property"); and

WHEREAS, Tenant leased office space at the Property from the prior owner, Easton Land, LLC; and

WHEREAS, Landlord and Tenant wish to enter into a new lease on the following terms.

WITNESSETH

In consideration of the mutual covenants herein set forth, and intending to be legally bound, the parties hereto covenant and agree as follows:

1. **SUMMARY OF DEFINED TERMS.** The following defined terms, as used in this Lease, shall have the meanings and shall be construed as set forth below:
 - (a) **"Building."** The Building located at 28712 Glebe Road, Easton, MD 21601.
 - (b) **"Property."** The Building, the land and all other improvements situate at 28712 Glebe Road, Easton, MD 21601.
 - (c) **"Rental Space."** Suite(s) numbered "6" and "6A", as further depicted on the space plan attached hereto as Exhibit "A", and made a part hereof.
 - (d) **"Term."** The term of this Lease shall commence as of the Commencement Date (as defined in subsection 3 (a) herein below) and shall end on December 31, 2018, with renewals for three (3) additional one (1) year terms as set forth in Article 27.
 - (e) **"Rent."** All Annual Fixed Rent, monthly installments of Annual Fixed Rent and Additional Rent payable by Tenant to Landlord under this Lease.
 - (f) **"Fixed Rent."**

<u>LEASE YEAR</u>	<u>ANNUAL AMOUNT</u>	<u>MONTHLY</u>
1. 2017	\$43,200	\$3600
2. 2018	\$44,064	\$3672
3. 2019	\$44,940	\$3745
4. 2020	\$45,840	\$3820
5. 2021	\$46,752	\$3896

(g) **“Additional Rent.”** All sums of money or charges required to be paid by Tenant under this Lease other than Fixed Rent, whether or not such sums or charges are designated as “Additional Rent.”

(h) **“Security Deposit.”** \$3,600

(i) **“Notice Address/Contact.”**

Tenant: Maverick Transport, Inc.
Attn: Ronald D. Endzel, Pres.
Ste. #6
28712 Glebe Road
Easton, Maryland 21601

Landlord: Talbot County, Maryland
Attn: County Manager
11 N. Washington Street
Easton, Maryland 21601

with a copy to

Talbot County Attorney
11 N. Washington St.
Easton, Maryland 21601

(j) **“Permitted Use.”** Tenant’s use of the Rental Space shall be limited to general office use. Tenant’s right to use the Rental Space shall be subject to all applicable laws and governmental rules and regulations.

(k) **“Renewal Term.”** Each of three (3) successive one (1) year terms beginning January 1, 2019, 2020, and 2021, respectively, and ending December 31 of each successive year.

2. **RENTAL SPACE.** Landlord does hereby lease, demise and let unto Tenant and Tenant does hereby lease from Landlord the Rental Space for the Term, upon the provisions, conditions and limitations set forth herein.
3. **TERM.** The Term of this Lease shall commence on January 1, 2017 (the "Commencement Date"). The Term shall expire, as set forth in Article 1 (d) subject to renewals pursuant to Article 27 herein below. The Commencement Date shall be confirmed by Landlord and Tenant by the execution of a Confirmation of Lease Term in the form attached hereto as Exhibit "B". If Tenant fails to execute or object to the Confirmation of Lease Term within five (5) business days of its delivery, Landlord's determination of such dates shall be deemed accepted.
4. **FIXED RENT; SECURITY DEPOSIT.** Tenant shall pay to Landlord without notice or demand, and without set-off, the annual Fixed Rent payable in the monthly installments of Fixed Rent as set forth in Article 1. (f), in advance on the first day of each calendar month during the Term. The first full month's installment of rent shall be paid upon the execution of this Lease by Tenant.
 - (a) Tenant shall be required to pay a Security Deposit, as set forth in Article 1. (h), (the Collateral"), as is security for the prompt, full and faithful performance by Tenant of each and every provision of this Lease and of all obligations of Tenant hereunder. No interest shall be paid to Tenant on the Collateral, and Landlord shall have the right to commingle the Collateral with other security deposits held by Landlord. If Tenant fails to perform any of its obligations hereunder, Landlord may use, apply or retain the whole or any part of the Collateral for the payment of (i) any rent or other sums of money which Tenant may not have paid when due, (ii) any sum expended by Landlord on Tenant's behalf in accordance with the provisions of this Lease, and/or (iii) any sum which Landlord may expend or be required to expend by reason of Tenant's default, including, without limitation, any damage or deficiency in or from the reletting of the Rental Space as provided in this Lease. The use, application or retention of the Collateral, or any portion thereof, by Landlord shall not prevent Landlord from exercising any other right or remedy provided by this Lease or by law (it being intended that Landlord shall not first be required to proceed against the Collateral) and shall not operate as either liquidated damages or as a limitation on any recovery to which Landlord may otherwise be entitled. If any portion of the Collateral is used, applied or retained by Landlord for the purposes set forth above, Tenant agrees, within ten (10) days after the written demand therefore is made by Landlord, to deposit cash with the Landlord in an amount sufficient to restore the Collateral to its original amount. In addition to the foregoing, if Tenant defaults (irrespective of the fact that Tenant cured such default) more than once in its performance of a monetary obligation,

Landlord may require Tenant to increase the Collateral to twice the initial amount of the Collateral.

- (b) If Tenant shall fully and faithfully comply with all of the provisions of this Lease, the Collateral, or any balance thereof, shall be returned to Tenant without interest after the expiration of the Term or upon any later date after which Tenant has vacated the Rental Space.
- (c) In the event of a transfer of the Property or the Building, Landlord shall have the right to transfer the Collateral to the transferee, vendee or lessee, and Landlord shall thereupon be released by Tenant from all liability for the return of such Collateral. Upon the assumption of such Collateral by the transferee, Tenant agrees to look solely to the new landlord for the return of said Collateral, and the provisions hereof apply to every transfer or assignment made of the Collateral to the new landlord.
- (d) In the event any Fixed Rent or Additional Rent (as defined below), charge, fee or other amount due from Tenant under the terms of this Lease are not paid to Landlord when due, Tenant shall also pay as Additional Rent a late fee of \$100.00. The aforesaid late fee shall begin to accrue on the initial date of a payment due date, irrespective of any grace period granted hereunder. This provision shall not prevent Landlord from exercising any other remedy herein provided or otherwise available at law or in equity in the event of any default by Tenant.

5. UTILITY CHARGES. Landlord shall furnish the Rental Space with heat and air-conditioning in the respective seasons and provide the Rental Space with electricity for lighting and usual office equipment. Landlord shall not be liable for any interruption or delay in electric or any other utility service for any reason unless caused by the gross negligence or willful misconduct of Landlord or its agents. Landlord shall have the right to change the electric and other utility provider to the Property or Building at any time.

- (a) Tenant shall reimburse Landlord for its proportionate share of the utility bills as set forth below.
- (b) Tenant shall be solely responsible for its proportionate share of utility charges, calculated as a percentage based on the amount of square footage occupied by Tenant out of the total rentable square footage and subject to a 2% annual escalation, as follows:

<u>YEAR</u>	<u>MONTHLY UTILITY CHARGE</u>
2017	\$219.38
2018	\$223.77
2019	\$228.25
2020	\$232.82
2021	\$237.48

- (c) Tenant shall pay its proportionate share of the utilities on a monthly basis at the same time and in the same manner as Tenant submits its monthly rental payments to Landlord in accordance with Article 4, above.

6. SIGNS; USE OF RENTAL SPACE AND COMMON AREAS.

- (a) Any signage shall be at Tenant's expense and with Landlord's approval. Tenant shall be responsible for removal of all signage at the expiration or termination of the term of this Lease.
- (b) Tenant may use and occupy the Rental Space only for the Permitted Use, without the prior written consent of Landlord; provided that Tenant's right to so use and occupy the Rental Space shall remain expressly subject to the provisions of Article 22, "Governmental Regulations." No machinery or equipment shall be permitted that shall cause vibration, noise or disturbance beyond the Rental Space. Tenant, without Landlord's consent or direction, shall not "vacate" the Rental Space at any time during the Term, nor permit the Rental Space to remain unoccupied. "Vacate" shall be defined as Tenant's ceasing to use the Rental Space for its Permitted Use or the removal of substantially all of its furniture and equipment and personal property from the Rental Space.
- (c) Tenant shall not overload any floor or part thereof in the Rental Space or the Building, including any public corridors or elevators therein, bringing in, placing, storing, installing or removing any large or heavy articles, and Landlord may prohibit, or may direct and control the location and size of, safes and all other heavy articles, and may require, at Tenant's sole cost and expense, supplementary supports of such material and dimensions as Landlord may deem necessary to properly distribute the weight.
- (d) Tenant shall not install any equipment which overburdens the electrical capacity of the Building and the Rental Space. Such capacity shall be sufficient for normal

office equipment including, but not limited to, one computer and one phone per person.

- (e) Tenant shall not commit or suffer any waste upon the Rental Space, Building or Property or any nuisance, or do any other act or thing which may disturb the quiet enjoyment of any other tenant in the Building or Property.
- (f) Tenant shall have the right, non-exclusive and in common with others, to use the exterior paved driveways and walkways of the Building for vehicular and pedestrian access to the Building. Tenant shall also have the right, in common with other tenants of the Building and Landlord, to use the designated parking areas of the Property for the parking of automobiles of Tenant and its employees and business visitors, incident to Tenant's permitted use of the Rental Space; provided that Landlord shall have the right to restrict or limit Tenant's utilization of the parking areas in the event the same become overburdened and in such case to equitably allocate on a proportionate basis or assign parking spaces among Tenant and the other tenants of the Building.
- (g) Tenant shall provide janitorial services to the common area bathrooms located adjacent to their Rental Space, except that, if Landlord occupies the adjacent office space Landlord shall provide janitorial services to these common area bathrooms, and if the adjacent space is occupied by a third-party tenant the cost of the janitorial services for the common area bathrooms shall be equally divided between the Tenant and the adjacent tenant.

7. ENVIRONMENTAL MATTERS

- (a) Hazardous Substances.
 - (i) Tenant shall not, except as provided in subsection (ii) below, bring or otherwise cause to be brought or permit any of its agents, employees, contractors or invitees to bring in, on or about any part of the Rental Space, Building or Property, or engage in operations at the Rental Space which involve the generation, manufacture, refining, transportation, treatment, storage, handling or disposal of "hazardous substances" or "hazardous waste," as such terms are or may be defined in (x) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 *et seq.*, as the same may from time to time be amended, and the regulations promulgated pursuant thereto ("CERCLA"); the United States Department of Transportation Hazardous Materials Table (49 CFR 172.102); by the Environmental Protection Agency as hazardous substances (40 CFR Part

302); the Clean Air Act; and the Clean Water Act, and all amendments, modifications or supplements thereto; and/or (y) any other rule, regulation, ordinance, statute or requirements of any governmental or administrative agency regarding the environment (collectively, (x) and (y) shall be referred to as an "Applicable Environmental Law").

(ii) In addition, upon written request of Landlord, Tenant shall cooperate with Landlord in obtaining Applicable Environmental Laws approval of any transfer of the Building. Specifically in that regard, Tenant agrees that it shall (A) execute and deliver all affidavits, reports, responses to questions, applications or other filings required by Landlord and related to Tenant's activities at the Rental Space, (B) allow inspections and testing of the Rental Space during normal business hours, and (C) as respect to the Rental Space, perform any requirement reasonably requested by Landlord necessary for the receipt of approvals under Applicable Environmental Laws, provided the foregoing shall be at no out-of-pocket cost or expense to Tenant except for clean-up and remediation costs arising from Tenant's violation of this Article 7.

(b) Additional Terms. In the event of Tenant's failure to comply in full with this Article, Landlord may, after written notice to Tenant and Tenant's failure to cure within thirty (30) days of its receipt of such notice, at Landlord's option, perform any and all of Tenant's obligations as aforesaid and all costs and expenses incurred by Landlord in the exercise of this right shall be deemed to be Additional Rent payable on demand and with interest at the Default Rate. The parties acknowledge and agree that Tenant shall not be held responsible for any environmental issue at the Rental Space unless such issue was caused by an action or omission of Tenant or its agents, employees, consultants or invitees. This Article 7 shall survive the expiration or sooner termination of this Lease.

8. TENANT'S ALTERATIONS.

(a) Except for telephone, security and communication equipment and system wiring and cabling, Tenant will not cut or drill into or secure any fixture, apparatus or equipment or make alterations, improvements on physical additions (collectively, "Alterations") of any kind to any part of the Rental Space without first obtaining the written consent of Landlord, such consent not to be unreasonably withheld. Landlord's consent shall not be required for the installation of any office equipment or fixtures including internal partitions which do not require disturbance of any structural elements or systems (other than attachment thereto)

within the Building or minor work, including decorations, which does not require disturbance of any structural elements or systems (other than attachment thereto) within the Building and which costs in the aggregate less than \$50,000. If no approval is required or if Landlord approves Tenant's Alterations and agrees to permit Tenant's contractors to do the work, Tenant, prior to the commencement of labor or supply of any materials, must furnish to Landlord; (i) a duplicate or original policy or certificates of insurance evidencing general public liability insurance for personal injury and property damage in the minimum amount of \$1,000,000.00 combined single limit, statutory Workers' Compensation insurance, and employer's liability insurance from each contractor to be employed (all such policies shall be non-cancelable without thirty (30) days prior written notice to Landlord and shall be in amounts and with companies satisfactory to Landlord; (ii) construction documents prepared and sealed by a registered Maryland architect if such alteration causes the aggregate of all Alterations to be in excess of \$50,000; (iii) all applicable building permits required by law; and (iv) an executed, effective Waiver of Mechanics Liens from such contractors and all sub-contractors in states allowing for such waivers or the cost of such alteration must be bonded by Tenant. Any approval by Landlord permitting Tenant to do any or cause any work to be done in or about the Rental Space shall be and hereby is conditioned upon Tenant's work being performed so as to not interfere with any work being performed by Landlord.

- (b) All Alterations, whether temporary or permanent in character, (excluding telephone, security and communication equipment and system wiring & cabling) made in or upon the Rental Space, either by Landlord or Tenant, shall be Landlord's property upon installation and shall remain on the Rental Space without compensation to Tenant unless Landlord provides written notice to Tenant to remove same at the expiration of the Lease, in which event Tenant shall promptly remove such Alterations and restore the Rental Space to good order and condition. Notwithstanding anything to the contrary hereinabove, Landlord agrees to Tenant removing any item affixed to the wall by Tenant – subject to Tenant restoring Rental Space to good order and condition. All furniture, movable trade fixtures and equipment installed by: (i) Landlord at Tenant's request; (ii) Tenant, and (iii) Tenant's assignees and sublessees shall be removed by Tenant at the termination of this Lease unless Landlord provides written notice to Tenant to not remove same. All such installations, removals and restoration shall be accomplished in a good and workmanlike manner so as not to damage the Rental Space or Building and in such manner so as not to disturb other tenants in the Building. If Tenant fails to remove any items required to be removed pursuant to this Article, Landlord may do so and the cost and expense thereof

shall be deemed Additional Rent hereunder and shall be deducted from the Security Deposit or reimbursed by Tenant to Landlord within fifteen (15) business days of Tenant's receipt of an invoice therefore from Landlord.

- 9. CONSTRUCTION LIENS.** Tenant will not suffer or permit any contractor's, subcontractor's or supplier's lien (a "Construction Lien") to be filed against the Rental Space or any part thereof by reason of work, labor services or materials supplied or claimed to have been supplied to Tenant; and if any Construction Lien shall at any time be filed against the Rental Space or any part thereof, Tenant, within ten (10) days after notice of the filing thereof, shall cause it to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. If Tenant shall fail to cause such Construction Lien to be discharged within the period aforesaid, then in addition to any other right or remedy, Landlord may, but shall not be obligated to, discharge it either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit or by bonding proceedings. Any amount so paid by Landlord, plus all of the Landlord's costs and expenses associated therewith (including, without limitation, reasonable legal fees), shall constitute Additional Rent payable by Tenant under this Lease and shall be paid by Tenant to Landlord on demand with interest from the date of advance by Landlord at the Default Rate.

10. ASSIGNMENT AND SUBLETTING

- (a) Subject to the remaining subsections of this Article, except as expressly permitted pursuant to this section, Tenant shall not, without the prior written consent of Landlord, such consent not to be unreasonably withheld, assign, or transfer this Lease or any interest herein or sublet the Rental Space or any part thereof. Any of the foregoing acts without such consent shall be void and shall, at the option of Landlord, terminate this Lease. Subject to subsection 10(e) below, this Lease shall not, nor shall any interest herein, be assignable as to the interest of Tenant by operation of law or by merger, consolidation or asset sale, without the written consent of Landlord.
- (b) Regardless of Landlord's consent, no subletting or assignment shall release Tenant of Tenant's obligation or alter the primary liability of Tenant to pay the Rent and to perform all other obligations to be performed by Tenant hereunder. The acceptance of Rent by Landlord from any other person shall not be deemed to be a waiver by Landlord of any provisions hereof. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting. In the event of default by any assignee of Tenant or any successor of Tenant in the performance of any of the terms hereof, Landlord may proceed directly against Tenant without the necessity of exhausting remedies against such assignee or successor.

- (c) In the event that: (i) the Rental Space or any part thereof are sublet and Tenant is in default under this Lease, or (ii) this Lease is assigned by Tenant, then, Landlord may collect Rent from the assignee or subtenant and apply the net amount collected to the rent herein reserved; but no such collection shall be deemed a waiver of the provisions of this Article with respect to assignment and subletting, or the acceptance of such assignee or subtenant as Tenant hereunder, or a release of Tenant from further performance of the covenants herein contained.
- (d) Tenant may, after notice to, but without the consent of Landlord, assign this Lease to an affiliate (i.e., a corporation 50% or more of whose capital stock is owned by the same stockholders owning 50% or more of Tenant's capital stock), parent or subsidiary corporation of Tenant or to a corporation to which it sells or assigns all of substantially all of its assets or stock or with which it may be consolidated or merged ("Affiliate"), provided such purchasing, consolidated, merged, affiliated or subsidiary corporation shall, in writing, assume and agree to perform all of the obligations of Tenant under this Lease, shall have a net worth at least equal to \$5,000,000, and it shall deliver such assumption with a copy of such assignment to Landlord within ten (10) days thereafter, and provided further that Tenant shall not be released or discharged from any liability under this Lease by reason of such assignment.
- (e) Anything in this Article to the contrary notwithstanding, no assignment or sublease shall be permitted under this Lease if Tenant is in default at the time of such assignment or has previously defaulted (irrespective of the fact that Tenant cured such default) more than twice in connection with any of its monetary obligations under this Lease.

11. LANDLORD'S RIGHT OF ENTRY. Landlord and persons authorized by Landlord may enter the Rental Space at all reasonable times upon advance notice (except in the case of an emergency in which case no prior notice is necessary) for the purpose of inspections, repairs, alterations to adjoining space, appraisals, or other reasonable purposes; including enforcement of Landlord's rights under this Lease. Landlord shall not be liable for inconvenience to or disturbance of Tenant by reason of any such entry. Landlord also shall have the right to enter the Rental Space at all reasonable times after giving prior telephonic notice to Tenant, to exhibit the Rental Space to any prospective purchaser, mortgagee or prospective tenants.

12. REPAIRS AND MAINTENANCE.

- (a) Except as specifically otherwise provided in subsections (b) and (c) of this Article, Tenant shall keep and maintain the Rental Space in good order and condition and shall promptly make all non-structural repairs necessary to keep and maintain such good order and condition. Landlord warrants the premises to be in good order and condition at the commencement of the Lease. Tenant shall have the option of replacing lights, ballasts, tubes, ceiling tiles, outlets and similar equipment itself or it shall have the ability to advise Landlord of Tenant's desire to have Landlord make such repairs to the Rental Space within a reasonable time of notice to Landlord and shall charge Tenant for such services at Landlord's standard rate (such rate to be competitive with the market rate for such services). When used in this Article, the term "repairs" shall include replacements and renewals when necessary. All repairs made by Tenant shall utilize materials and equipment that are at least equal in quality and usefulness to those originally used in constructing the Building and the Rental Space.
- (b) Landlord shall make all necessary repairs to the footings and foundations and the structural steel columns and girders forming a part of the Rental Space.
- (c) Except as provided in subparagraph (e) below, Landlord shall maintain all HVAC systems, plumbing and electric systems serving the Building and the Rental Space.
- (d) Landlord shall make all necessary repairs to the Building outside of the Rental Space and the common areas, including the roof, walls, exterior portions of the Rental Space and the Building, utility lines, equipment and other utility facilities in the Building, which serve more than one tenant of the Building, and to any driveways, sidewalks, curbs, loading, parking and landscaped areas, and other exterior improvements for the Building; provided, however that Landlord shall have no responsibility to make any repairs unless and until Landlord receives written notice of the need for such repair.
- (e) Each party hereto, and anyone claiming through or under them by way of subrogation, waives and releases any cause of action it might have against the other party and their respective employees, officers, members, partners, trustees and agents, on account of any loss or damage that is insured against under any insurance policy required to be obtained hereunder (to the extent that such loss or damage is recoverable under such insurance policy) that covers the Property, Building or Rental Space, Landlord's or Tenant's fixtures, personal property, Leasehold improvements of business and which names Landlord or Tenant, as the cause may

be, as a party insured. Each party hereto agrees that it will cause its insurance carrier to endorse all applicable policies waiving the carrier's right of recovery under subrogation or otherwise against the other party. During any period while such waiver or right of recovery is in effect, each party shall look solely to the proceeds of such policies for compensation for loss; to the extent such proceeds are paid under such policies.

13. INDEMNIFICATION. Tenant shall defend, indemnify and hold harmless Landlord, and their respective officials, department heads, employees and agents from and against any and all third-party claims, actions, damages, liability and expense (including all reasonable attorney's fees, expenses and liabilities incurred in defense of any such claim or any action or proceeding brought thereon) arising from: (i) Tenant's improper use of the Rental Space, (ii) the improper conduct of Tenant's business, (iii) any activity, work or things done, permitted or suffered by Tenant or its agents, licensees to invitees in or about the Rental Space or elsewhere contrary to the requirement of the Lease, (iv) any breach or default in the performance of any obligation of Tenant's part to be performed under the terms of this Lease, and (v) any negligence or willful act of Tenant or any of Tenant's agents, contractors, employees or invitees. Without limiting the generality of the foregoing, except for Landlord's gross negligence or willful act, Tenant's obligations shall include any case in which Landlord shall be made a party to any litigation commenced against Tenant, its agents, subtenants, licensees, concessionaires, contractors, customers or employees, or by Tenant against a third party, in which event Tenant shall defend, indemnify and hold harmless Landlord, and shall pay all costs, expenses and reasonable attorney's fees incurred or paid by Landlord, in connection with such litigation. After notice to Tenant and Tenant's refusal to defend such litigation, and upon notice from Landlord, Landlord may defend the same at Tenant's expense by counsel satisfactory to Landlord.

14. QUIET ENJOYMENT. Provided Tenant has performed all of the terms and conditions of this Lease, including the payment of Fixed Rent and Additional Rent, to be performed by Tenant, Tenant shall peaceably and quietly hold and enjoy the Rental Space for the Term and any renewal term.

15. FIRE DAMAGE.

- (a) Except as provided below, in case of damage to the Rental Space by fire or other insured casualty, Landlord shall repair the damage. Such repair work shall be commenced promptly following notice of the damage and completed with due diligence, taking into account the time required for Landlord to effect a settlement with and procure insurance proceeds from the insurer, except for delays due to

governmental regulations, scarcity of or inability to obtain labor or materials, intervening acts of God or other causes beyond Landlord's reasonable control.

- (b) Notwithstanding the foregoing, if: (i) the damage is of a nature or extent that, in Landlord's reasonable judgment (to be communicated to Tenant within sixty (60) days from the date of the casualty), the repair and restoration work would require more than two hundred ten (210) consecutive days to complete after the casualty (assuming normal work crews not engaged in overtime), or (ii) if more than thirty (30%) percent of the total area of the Building is extensively damaged, or (iii) the casualty occurs in the last Lease Year of the Term or during any renewal term, or if Landlord has not consented to a renewal term, either party shall have the right to terminate this Lease and all the unaccrued obligations of the parties hereto, by sending written notice of such termination to the other within ten (10) days of Tenant's receipt of the notice from Landlord described above. Such notice is to specify a termination date no less than fifteen (15) days after its transmission.
- (c) If the insurance proceeds received by Landlord as dictated by the terms and conditions of any financing then existing on the Building, (excluding any rent insurance proceeds) would not be sufficient to pay for repairing the damage or are required to be applied on account of any mortgage which encumbers any part of the Rental Space or Building, or if the nature of loss is not covered by Landlord's fire insurance coverage, Landlord may elect either to: (i) repair the damage as above provided notwithstanding such fact, or (ii) terminate this Lease by giving Tenant notice of Landlord's election as aforesaid.
- (d) In the event Landlord has not completed restoration of the Rental Space within two hundred ten (210) days from the date of the casualty (subject to delay due to weather conditions, shortages of labor or materials or other reasons beyond Landlord's control, Tenant may terminate this Lease by written notice to Landlord within thirty (30) business days following the expiration of such 210 day period (as extended for reasons beyond Landlord's control as provided above) unless, within thirty (30) business days following receipt of such notice, Landlord has substantially completed such restoration and delivered the Rental Space to Tenant for occupancy. Notwithstanding the foregoing, in the Event Tenant is responsible for the aforesaid casualty, Tenant shall not have the right to terminate this Lease if Landlord is willing to rebuild and restore the Rental Space.
- (e) In the event of damage or destruction to the Rental Space or any part thereof, Tenant's obligation to pay Fixed Rent and Additional Rent shall be equitably adjusted or abated.

16. SUBORDINATION; ESTOPPEL CERTIFICATE.

- (a) This Lease shall be subject and subordinate at all times to the lien of any mortgages now or hereafter placed upon the Rental Space, Building and/or Property and land of which they are a part without the necessity of any further instrument or act on the part of Tenant to effectuate such subordination. Tenant further agrees to execute and deliver fifteen (15) days after receipt of any such further instrument or instruments evidencing such subordination of this Lease to the lien of any such mortgage and such further instrument or instruments or attornment as shall be desired by any mortgagee or proposed mortgagee or by any other person. Failure to do so shall be considered a default under the terms of this Lease. Notwithstanding the foregoing, any mortgagee may at any time subordinate its mortgage to this Lease, without Tenant's consent, by notice in writing to Tenant, and thereupon this Lease shall be deemed prior to such mortgage without regard to their respective dates of execution and delivery. In the event a mortgagee or its respective successor or assigns shall enter into and lawfully become possessed of the Rental Space covered by this Lease and shall succeed to the rights of Landlord hereunder, Tenant will attorn to the successor as its landlord under this Lease and, upon the request of such successor landlord, Tenant will execute and deliver an attornment agreement in favor of the successor landlord.

- (b) Each party agrees at any time and from time to time, within ten (10) days after the other party's written request, to execute, acknowledge and deliver to the other party a written instrument in recordable form certifying all information reasonably requested, including, but not limited to, the following: that this Lease is unmodified and in full force and effect (or if there have been modifications, that it is in full force and effect as modified and stating the modifications), the Commencement Date, the expiration date of this Lease, the square footage of the Rental Space, the rental rates applicable to the Rental Space, the dates to which Rent, Additional Rent, and other charges have been paid in advance, if any, and stating whether or not to the best knowledge of the party signing such certificate, the requesting party is in default in the performance of any covenant, agreement or conditions contained in this Lease and, if so, specifying each such default of which the signer may have knowledge. It is intended that any such certification and statement delivered pursuant to this Article may be relied upon by any prospective purchaser of the Property or any mortgagee thereof or any assignee of Landlord's interest in this Lease or of any mortgage upon the fee of the Rental Space or any part thereof.

17. CONDEMNATION. Should governmental action cause the operation of the Property to become unlawful, or should the Rental Space, or common area essential to its use be made unusable by eminent domain or a similar taking, the Landlord may, on written notice to the Tenant, either reduce the rent in proportion to the part taken or end this Lease as the date of taking or at such earlier time as the notice may specify. Rent shall be paid until such rent reduction or such Lease end. Landlord shall give prompt notice of any such proceedings, but such notice shall not be deemed notice of rent reduction or end of Lease. If the Lease is not ended, and if Landlord's mortgagee consents and makes restoration damages available to Landlord, the Landlord must restore the Building, as nearly as changed conditions and such restoration damages allow, to a condition and with improvements provided by custom to a tenant in similar, newly-built space. Tenant shall make no claim for a taking of Tenant's leasehold interest.

18. TENANT DEFAULT.

The following shall be Events of Default:

- (a) If Tenant fails to pay any installment of Fixed Rent or any amount of Additional Rent when due; provided, however, Landlord shall provide written notice of the failure to pay such Rent and Tenant shall have a fifteen (15) business day grace period from its receipt of such Landlord's notice (facsimile or e-mail receipt being deemed to be notice hereunder) within which to pay such Rent without creating a default hereunder. The late fee set forth in Article 4 (c) hereof shall be due on the first day after such payment is due on the first day after such payment is due irrespective of the foregoing notice and grace period. No additional notice shall be required thereafter and Landlord shall be entitled to immediately exercise its remedies hereunder if payment is not received during the grace period.
- (b) Tenant vacates the Rental Space (other than in the case of a permitted subletting or assignment) or permits the same to be unoccupied.
- (c) Tenant fails to bond over a construction or mechanics lien within the time period set forth in Article 9.
- (d) Tenant fails to observe or perform any of Tenant's other non-monetary agreements or obligations herein contained within fifteen (15) days after written notice specifying the default, or the expiration of such additional time period as is reasonably necessary to cure such default, provided Tenant immediately commences and thereafter proceeds with all due diligence and in good faith to cure such default.

- (e) Tenant makes any assignment for the benefit of creditors.
- (f) A petition is filed or any proceeding is commenced against Tenant or by Tenant under any federal or state bankruptcy or insolvency law and such petition or proceeding is not dismissed within thirty (30) days.
- (g) A receiver or other official is appointed for Tenant or for a substantial part of Tenant's assets or for Tenant's interests in this Lease.
- (h) Any attachment or execution against a substantial part of Tenant's assets or of Tenant's interests in this Lease remains unstayed or undismissed for a period of more than ten (10) days.
- (i) A substantial part of Tenant's assets or of Tenant's interest in this Lease is taken by legal process in any action against Tenant, then, in any such event, an Event of Default shall be deemed to exist and Tenant shall be in default hereunder.

If an Event of Default shall occur, the following provisions shall apply and Landlord shall have, in addition to all other rights and remedies available at law or in equity, the rights and remedies set forth therein, which rights and remedies may be exercised upon or at any time following the occurrence of an Event of Default unless, prior to such exercise, Landlord shall agree in writing with Tenant that the Event(s) of Default has been cured by Tenant in all respects.

- (j) Termination of Lease. By notice to Tenant, Landlord shall have the right to terminate this Lease as of a date specified in the notice of termination and in such case, Tenant's rights, including any based on any option to renew, to the possession and use of the Rental Space shall end absolutely as of the termination date; and this Lease shall also terminate in all respects except for the provisions hereof regarding Landlord's damages and Tenant's liabilities arising prior to, out of and following the Event of Default and the ensuing termination.
- (k) Notwithstanding the foregoing, and subject to compliance with all of the conditions set forth in this Subparagraph (b), following an event of Default and Landlord's exercise of its right to terminate pursuant to Subparagraph (A), Tenant shall have the right to continue to occupy the Rental Space notwithstanding Landlord's termination of the Lease for a single (one) period not to exceed six (6) months provided Tenant: (1) immediately pays all outstanding Rent and all Rent that becomes due during the 6-month period; (2) immediately cures any other outstanding default under the terms of the Lease; (3) continues to fully comply with all terms, conditions, and covenants of

the Lease during the 6-month period; and, (4) makes suitable advance arrangements, on a timetable acceptable to Landlord, to vacate the Rental Space not later than the last day of the 6-month period. Nothing in this subparagraph operates to waive, relinquish, or forego any remedy otherwise available to Landlord under the terms of this Lease, including Landlord's right to immediately terminate the Tenant's right to continued occupancy under this Subparagraph and to immediately regain possession of the Rental Space in the event Tenant breaches any provision of this Subparagraph (b).

(l) Following termination under Subparagraph (a) that is not extended under Subparagraph (b) and the notice of same provided above, or expiration or earlier termination of the 6-month period under Subparagraph (b) (as well as upon any other termination of this Lease by expiration of the Term or otherwise) Landlord immediately shall have the right to recover possession of the Rental Space; and to that end, Landlord may enter the Rental Space and take possession, without the necessity of giving Tenant any notice to quit or any other further notice, with or without legal process or proceedings, and in so doing Landlord may remove Tenant's property (including any improvements or additions to the Rental Space which Tenant made, unless made with Landlord's consent which expressly permitted Tenant to not remove the same upon expiration of the Term), as well as the property of others as may be in the Rental Space, and make disposition thereof in such manner as Landlord may deem to be commercially reasonable and necessary under the circumstances.

(m) Tenant's Continuing Obligations/Landlord's Reletting Rights.

- i. Unless and until Landlord shall have terminated this Lease under subsection (j) or (k) above, Tenant shall remain fully liable and responsible to perform all of the covenants and to observe all the conditions of this Lease throughout the remainder of the Term to the early termination date; and, in addition, Tenant shall pay to Landlord, upon demand and as Additional Rent, the total sum of all costs, losses, damages and expenses, including reasonable attorneys' fees, as Landlord incurs, directly or indirectly, because of any Event of Default having occurred.
- ii. If Landlord either terminates Tenant's right to possession without terminating this Lease or terminates this Lease and Tenant's leasehold estate as above provided, then subject to the provisions below, Landlord shall have the unrestricted right to relet the Rental Space of any part(s) thereof to such tenant(s) on such provisions and for such period(s) as Landlord may deem appropriate. If Landlord relets the Rental Space after such a default, the costs

recovered from Tenant shall be reallocated to take into consideration any additional rent that Landlord receives from the new tenant that is in excess to that which was owed by Tenant.

(n) Landlord's Damages.

i. The damages which Landlord shall be entitled to recover from Tenant shall be the sum of:

(A) all Fixed Rent and Additional Rent accrued and unpaid as of the termination date; and,

(B) (i) all costs and expenses incurred by Landlord in recovering possession of the Rental Space, including attorneys' fees and removal and storage of Tenant's property, (ii) the costs and expenses of restoring the Rental Space to the condition in which the same were to have been surrendered by Tenant as of the expiration of the Term, and (iii) the costs of reletting commissions; and

(C) all Fixed Rent and Additional Rent (to the extent that the amount(s) of Additional Rent has been then determined) otherwise payable by Tenant over the remainder of the Term as reduced to present value.

ii. The damage sums payable by Tenant under the preceding provisions of this subsection shall be payable on demand from time to time as the amounts are determined.

iii. Landlord may enforce and protect the rights of Landlord hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein, and for the enforcement of any other appropriate legal or equitable remedy, including, without limitations, injunctive relief, and for recovery of consequential damages and all moneys due or to become due from Tenant under any of the provisions of this Lease.

(o) Landlord's Right to Cure. Without limiting the generality of the foregoing, if Tenant shall be in default in the performance of any of its obligations hereunder, Landlord, without being required to give Tenant any notice or opportunity to cure, may (but shall not be obligated to do so), in addition to any other rights it may have in law or in equity, cure such default on behalf of Tenant, and Tenant shall reimburse Landlord upon demand for any sums paid or costs incurred by Landlord in curing

such default, including reasonable attorneys' fees and other legal expenses, together with interest at 18% per annum from the dates of Landlord's incurring of costs or expenses.

(p) Interest on Damage Amounts. Any sums payable by Tenant hereunder, which are not paid after the same shall be due, shall bear interest from that day until paid at the rate of eighteen (18%) percent unless such rate be usurious as applied to Tenant, in which case the highest permitted legal rate shall apply (the "Default Rate").

(q) Landlord's Statutory Rights. Landlord shall have all rights and remedies now or hereafter existing at law or in equity with respect to the enforcement of Tenant's obligations hereunder and the recovery of the Rental Space. No right or remedy herein conferred upon or reserved to Landlord shall be exclusive of any other right or remedy, but shall be cumulative and in addition to all other rights and remedies given hereunder or now or hereafter existing at law.

No Waiver by Landlord. No delay or forbearance by Landlord in exercising any right or remedy hereunder, or Landlord's undertaking of performing any act or matter which is not expressly required to be undertaken by Landlord shall be construed, respectively, to be a waiver of Landlord's rights or to represent any agreement by Landlord to undertake or perform such act or matter thereafter. Waiver by Landlord of any breach by Tenant of any covenant or condition herein contained (which waiver shall be effective only if so expressed in writing by Landlord) or failure by Landlord to exercise any right or remedy in respect of any such breach shall not constitute a waiver or relinquishment for the future of Landlord's right to have any such covenant or condition fully performed or observed by Tenant.

19. LANDLORD'S LIEN. In addition to any applicable common law or statutory lien, none of which are to be deemed waived by Landlord, Landlord shall have, at all times, and Tenant hereby grants to Landlord, a valid lien and security interest to secure payment of all Rent and to secure payment of any damages or loss which Landlord may suffer by reason of the breach by Tenant of any covenant, agreement or condition contained herein, upon all goods, wares, equipment, fixtures, furniture, improvements and other personal property of Tenant which may hereafter be situated on the Rental Space, and all proceeds therefrom, and such property shall not be removed therefrom without consent of Landlord until all arrearage in Rent as well as any and all other sums of money then due to Landlord hereunder shall first have been paid and discharged and all the covenants, agreements and conditions hereof have been fully complied with and performed by Tenant. Upon the occurrences of an Event of Default by Tenant, but subject to Tenant's lender rights, if any, after the

expiration of all stated notice and cure periods, Landlord may, in addition to any other remedies provided herein, peaceably enter upon the Rental Space and take possession of any and all goods, wares, equipment, fixtures, furniture, improvements and other personal property of Tenant situated on the Rental Space, without liability for trespass or conversion, and sell the same at public or private sale, with or without having such property at the sale, after giving Tenant reasonable notice of time and place of any public sale or of the time after which any private sale is to be made, at which sale Landlord or its assigns may purchase unless otherwise prohibited by law. Unless otherwise provided by law, and without intending to exclude any other manner of giving Tenant reasonable notice, the requirement of reasonable notice shall be met if such notice is given in the manner prescribed in Article 28 of this Lease at least five (5) days before the time of sale.

20. SURRENDER. Tenant shall, at the expiration of the Term, promptly quit and surrender the Rental Space in good order and condition and in conformity with the applicable provisions of this Lease, excepting only reasonable wear and tear. Tenant shall have no right to hold over beyond the expiration of the Term and in the event Tenant shall fail to deliver possession of the Rental Space as herein provided, such occupancy shall not be construed to effect or constitute other than a tenancy at sufferance. During any period of occupancy beyond the expiration of the Term and the amount of rent owed to Landlord by Tenant shall automatically become One Hundred Fifty Percent (150%) the sum of the Rent as those sums are at that time calculated under the provisions of the Lease. If Tenant fails to surrender the space within thirty (30) days of the termination date, Landlord may elect to automatically extend the Term for an additional month or additional year, at Landlord's option, with a Rent of One Hundred Fifty percent (150%) the sum of the Rent as those sums are at that time calculated under the provisions of the Lease. The acceptance of rent by Landlord or the failure or delay of Landlord in notifying or evicting Tenant following the expiration or sooner termination of the Term shall not create any tenancy rights in Tenant and any such payments by Tenant may be applied by Landlord against its costs and expenses, including attorney's fees, incurred by Landlord as a result of such holdover.

21. RULES AND REGULATIONS. Tenant agrees that at all times during the terms of this Lease (as same may be extended) it, its employees, agents, invitees and licenses shall comply with all the rules and regulations specified on Exhibit "C" attached hereto and made a part hereof, together with all reasonable Rules and Regulations as Landlord may from time to time promulgate provided they are uniformly applied to all tenants. Tenant's right to dispute the reasonableness of any changes in or additions to the Rules and Regulations shall be deemed waived unless asserted to Landlord within ten (10) business days after Landlord shall have given

Tenant written notice of any such adoptions or change. In case of any conflict or inconsistency between the provisions of this Lease and any Rules and Regulations, the provisions of this Lease shall control. Landlord shall have a duty or obligation to enforce any Rule and Regulation, or any term, covenant or condition of any other lease, against any other tenant, and Landlord's failure or refusal to enforce any Rule or Regulation or any term, covenant or condition of any other lease against any other tenant shall be with liability of Landlord to Tenant.

22. GOVERNMENTAL REGULATIONS.

- (a) Tenant shall, in the use and occupancy of the Rental Space and the conduct of Tenant's business or profession therein, at all times comply with all applicable laws, ordinance, orders, notices, rules and regulations of the federal, state and municipal governments, or any of their departments and the regulations of the insurers of the Rental Space, Building and/or Property.
- (b) Without limiting the generality of the foregoing, Tenant shall (i) obtain, at Tenant's expense, before engaging in Tenant's business or profession within the Rental Space, all necessary licenses and permits including, but not limited to, state and local business licenses or permits, and (ii) remain in compliance with and keep in full force and effect at all times all licenses, consents and permits necessary for the lawful conduct of Tenant's business or profession at the Rental Space. Tenant shall pay all personal property taxes, income taxes and other taxes, assessments, duties, impositions and similar charges that are or may be assessed, levied or imposed upon Tenant and which, if not paid, could be lien against the Rental Space or against Tenant's property therein or against Tenant's leasehold estate.
- (c) Landlord shall be responsible for compliance with Title III of the Americans with Disabilities Act of 1990, 42 U.S.C. §12181 et seq. and its regulations, (collectively, the "ADA") as to the design and construction of exterior common areas (e.g. sidewalks and parking areas), except as exempted by governmental regulations or statute. Except as set forth above in the initial sentence hereto, Tenant shall be responsible for compliance with the ADA in all other respects concerning the use and occupancy of the Rental Space, which compliance shall include, without limitation (i) provision for full and equal enjoyment of the goods, services, facilities, privileges, advantages or accommodations of the Rental Space as contemplated by and to the extent required by the ADA, (ii) compliance relating to requirements under the ADA or amendments thereto arising after the date of this Lease and (iii) compliance relating to the design, layout, renovation,

redecorating, refurbishment, alteration, or improvement to the Rental Space made or requested by Tenant.

- 23. NOTICES.** Wherever in this Lease it shall be required or permitted that notice or demand be given or served by either party to this Lease to or on the other party, such notice or demand shall be deemed to have been duly given or served if in writing and either: (1) personally served; (ii) delivered by pre-paid nationally recognized overnight courier service (e.g. Federal Express) with evidence of receipt required for delivery; or, (iii) forwarded by Registered or Certified mail, return receipt requested, postage prepaid; in all such cases addressed to the parties at the addresses set forth in Article 1(i) hereof. Each such notice shall be deemed to have been given to or served upon the party to which addressed on the date the same is delivered or delivery is refused. Either party hereto may change its address to which said notice shall be delivered or mailed by giving written notice of such change to the other party hereto, as herein provided.
- 24. BROKERS.** Landlord and Tenant each represents and warrants to the other that such party has had no dealings, negotiations or consultations with respect to the Rental Space or this transaction with any broker or finder. Each party agrees to indemnify and hold the other harmless from and against all liability, cost and expense, including attorney's fees and court costs, arising out of any misrepresentation or breach under this Article.
- 25. LANDLORD'S LIABILITY.** Landlord's obligation hereunder shall be binding upon Landlord only for the period of time that Landlord is in ownership of the Building; and, upon termination of that ownership, Tenant, except as to any obligations which are then due and owing, shall look solely to Landlord's successor in interest in the Building for the satisfaction of each and every obligation of Landlord hereunder. Landlord shall have no personal liability under any of the terms, conditions or covenants of this Lease and Tenant shall look solely to the equity of Landlord in the Building of which the Rental Space forms a part for the satisfaction of any claim, remedy or cause of action accruing to Tenant as a result of the breach of any section of this Lease by Landlord. In addition to the foregoing, no recourse shall be had for an obligation of Landlord hereunder, or for any claim based thereon or otherwise in respect thereof, against any past, present or future official, department head, trustee, member, partner, shareholder, officer, director, partner, agent or employee of Landlord, whether by virtue of any statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such other liability being expressly waived and released by Tenant with respect to the above-named individuals and entities.

26. AUTHORITY.

- (a) Tenant represents and warrants that (a) Tenant is duly organized, validly existing and legally authorized to do business in the State of Maryland, and (b) the persons executing this Lease are duly authorized to execute and deliver this Lease on behalf of Tenant.
- (b) Landlord represents and warrants to Tenant that the Landlord is the contract purchaser of the Building and the Property and that the person executing this Lease is duly authorized to execute and deliver this Lease on behalf of Landlord.

27. RENEWAL. Provided Tenant is neither in default at the time of exercise nor has the Tenant been in substantial default in the twelve (12) months prior to renewal date (irrespective of the fact that Tenant cured such default) of any monetary obligations under this Lease during the Term, and Tenant is fully occupying the Rental Space and the Lease is in full force and effect, Tenant shall have the right to request a renewal this Lease for a period not to exceed one (1) year for up to three (3) successive renewal terms. Tenant shall furnish written notice of its desire not to renew not later than six (6) months prior to the expiration of the then applicable Term, i.e., not later than July 1, 2018, 2019, and 2020, respectively, failing which, such renewal right shall be deemed automatically exercised and the existing term or renewal term extended; time being of the essence. Landlord in its sole discretion may accept Tenant's offer to renew, counter with a different renewal term with Tenant, or reject Tenant's offer. If Landlord fails to respond in writing to Tenant's written notice of its desire to renew within thirty (30) days of receipt, this shall be deemed an acceptance of Tenant's offer to renew. Landlord shall be under no obligation to counter or negotiate a different renewal term with Tenant and even if Landlord elects to do so, Landlord reserves the right in its sole discretion to withdraw any counter offer and end all negotiations allowing the original Term to expire. The terms and conditions of this Lease during each Renewal Term shall remain unchanged except that the annual Fixed Rent shall be as set forth in Article 1 (f) during any renewal term(s). Anything herein contained to the contrary notwithstanding, Tenant shall have no right to renew the term except as provided in this Article.

28. MISCELLANEOUS PROVISIONS.

- (a) Successors. The respective rights and obligations provided in this Lease shall bind and inure to the benefit of the parties hereto, their successors and assigns; provided, however, that no rights shall inure to the benefit of any successor or assigns of Tenants unless Landlord's written consent for the transfer to such successor and/or assignee has first been obtained pursuant to Article 10 hereof.

- (b) No Offer. The submission of the Lease by Landlord to Tenant for examination does not constitute a reservation of or option.
- (c) Severability. If any provisions of this Lease shall be held to be invalid, void or unenforceable, the remaining provisions hereof shall in no way be affected or impaired and the remaining provisions shall remain in full force and effect.
- (d) Captions. Marginal captions, titles or exhibits and riders and the table of contents in this Lease are for convenience and reference only.
- (e) Gender. As used in this Lease, the word "person" shall mean and include, where appropriate, an individual, corporation, partnership or other entity; the plural shall be substituted for the singular, and the singular for the plural, where appropriate; and the words of any gender shall mean to include any other gender.
- (f) Entire Agreement. This Lease, including the Exhibits and any Riders hereto (which hereby incorporated by this reference), supersedes any prior discussions, proposals, negotiations and discussions between the parties and the Lease contains all the agreements, conditions, understandings, representations and warranties made between the parties hereto with respect to the subject matter hereof, and may not be modified orally or in any manner other than by an agreement in writing signed by both parties.
- (g) Calculation of Time. Unless otherwise provided herein, all Notices and other periods expire as of 5:00 p.m. (local time in Easton, Maryland) on the last day of the Notice or other period.
- (h) No Merger. There shall be no merger of this Lease or of the leasehold estate hereby created with the fee estate in the Rental Space or any part thereof by reason of fact that the same person, firm, corporation, or other legal entity may acquire or hold, directly or indirectly, this Lease of the leasehold estate and the fee estate in the Rental Space or any interest in such fee estate, without the prior written consent of Landlord's mortgagee.
- (i) Time is of the Essence. TIME IS OF THE ESSENCE IN ALL PROVISIONS OF THIS LEASE, INCLUDING ALL NOTICE PROVISIONS TO BE PERFORMED BY OR ON BEHALF OF TENANT.
- (j) Recordation of Lease. Tenant shall not record this Lease.
- (k) Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than any payment of Rent shall be deemed to be other than on

account of the earliest Rent due and payable, nor shall any endorsement or statement or any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction. Landlord may accept such check or payment without prejudice to Landlords' right to recover the balance of such Rent or pursue any other right or remedy provided for in this Lease, at law or in equity.

- (l) No Partnership. Landlord does not, in any way or for any purpose, become a partner of Tenant in the conduct of its business, or joint venturer or a member of a joint enterprise with Tenant.
- (m) No Presumption Against Drafter. The parties hereto acknowledge that this Lease has been freely negotiated by both parties and there shall be no inference, presumption, or conclusion drawn whatsoever against either party by virtue of that party having drafted this Lease.
- (n) Force Majeure. If by reason of strikes or other labor disputes, fire or other casualty (or responsible delays in adjustment of insurance), accidents, orders or regulations of any federal, State, County or Municipal authority, or any other cause beyond Landlord's control, Landlord is unable to furnish or is delayed in furnishing any utility or service required to be furnished by Landlord under the provisions of this Lease or is unable to perform or make or is delayed in performing or making any installations, decorations, repairs, alterations, additions or improvements, or is unable to fulfill or is delayed in fulfilling any of Landlord's other obligations under this Lease, no such inability or delay shall constitute an actual or constructive eviction, in whole or in part, or entitle Tenant to any abatement or diminution of Fixed Rent, or relieve Tenant from any of its obligations under this Lease, or impose any liability upon Landlord or its agents, by reason of inconvenience or annoyance to Tenant, or injury to or interruption of Tenant's business, or otherwise.
- (o) Waiver of Trial by Jury. Landlord and Tenant waive the right to a trial by jury in any action or proceeding based upon, or related to, the subject matter of this Lease. This Waiver is knowingly, intentionally, and voluntarily made by Tenant and Tenant acknowledges that neither Landlord nor any person acting on behalf of Landlord has made any representations of fact to induce this waiver of trial by jury or in any way to modify or nullify its effect. Tenant further acknowledges that it has been represented (or has had the opportunity to be represented) in the signing of this Lease and in the making of this Waiver by independent legal counsel, selected of its own free will, and that it has had the opportunity to discuss this Waiver with counsel. Tenant further acknowledges that it has read and

understands the meaning and ramifications of this Waiver provision and as evidence of same has executed this Lease.

- (p) Right to Change Building/Property Name. Landlord reserves the right at any time and from time to time to change the name by which the Building and/or Property is designated.
- (q) Governing Law. This Lease shall be construed, governed and enforced in accordance with the laws of the State of Maryland, without regard to principles relating to conflicts of law.
- (r) Any approval and/or consents required or requested by and/or from either party shall not be unreasonably withheld by the other.

IN WITNESS WHEREOF, the parties hereto have executed this Lease, under seal, the day and year first above written.

ATTEST:

LANDLORD

TALBOT COUNTY, MARYLAND

By: _____ [SEAL]
Jennifer Williams, President
Talbot County Council

ATTEST:

TENANT:

MAVERICK TRANSPORT, INC.

By: Ronald D. Endzel [SEAL]
Ronald D. Endzel, President

Adam I. Hinkley

STATE OF MARYLAND
COUNTY OF TALBOT, to wit:

On this ____ day of _____ 2017, before me a Notary Public in and for the State and County aforesaid, personally appeared **JENNIFER WILLIAMS**, known to me, or satisfactorily proven, who acknowledged herself to be the President of the Talbot County Council, and that she, as such, being duly authorized to do so, executed the foregoing instrument on behalf of Talbot County, Maryland for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

My Commission Expires:

STATE OF MARYLAND
COUNTY OF Talbot, to wit:

On this 24 day of January 2017, before me a Notary Public in and for the State and County aforesaid, personally appeared **RONALD D. ENDZEL**, who acknowledged himself to be the President of Maverick Transport Inc., a Maryland corporation, and that he, as such, being duly authorized to do so, executed the foregoing instrument on behalf of Maverick Transport, Inc. for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

My Commission Expires: Oct. 19, 2019

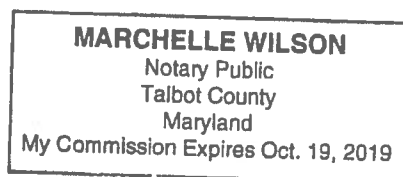


EXHIBIT "A"

RENTAL SPACE PLAN

(see attached)

EXHIBIT "B"

CONFIRMATION OF LEASE TERM

THIS MEMORANDUM is made as of the 24 day of JANUARY, 2017, between, TALBOT County, MD ("Landlord") and MAVENDC TRANSPORT INC

With its principal place of business at 28712 Glebe Rd #6 EASTON MD 21601 ("Tenant"), who entered into a lease dated for reference purposes as of 1/24/17, covering certain Rental Space located at 28712 Glebe Rd #6 EASTON MD 21601. All capitalized terms, if not defined herein, shall be defined as they are defined in the Lease.

1. The Parties to this Memorandum hereby agree that the date of JANUARY 1, 2017 is the "Commencement Date of the Term; that the date 1/1, 2017 is the Rent Commencement Date; and the date 12/31, 2018 is the expiration date of the Lease.

with 3 one year options.

2. Tenant hereby confirms the following:

(a) That it has accepted possession of the Rental Space pursuant to the terms of the Lease;

(b) That there are no offsets or credits against rentals, and the Security Deposit, in the amount of \$ 3600.- has been paid as provided in the Lease;

(c) That there is no default by Landlord or Tenant under the Lease and the Lease is in full force and effect.

3. This Memorandum, each and all of the provisions hereof, shall inure to the benefit, or bind, as the case may require the parties hereto, and their respective successors and assigns, subject to the restrictions upon assignment and subletting contained in the Lease.

4. This Memorandum shall not be recorded by Tenant.

WITNESS:

LANDLORD

By: _____

WITNESS:

TENANT:

By: Rosey Per.

EXHIBIT "C"

RULES AND REGULATIONS

(to be provided)
